GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Municipal Administration & Urban Development Department - JNNURM - Vijayawada and Tirupathi Municipal Corporations - Incomplete Housing Projects – Permission to borrow Rs.100.00 Crore each from HUDCO – Accorded – Orders – Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (UBS) DEPARTMENT

G.O.Ms.No.221 Dated. 29.08.2016

Read the following:

1. From the Commissioner, Tirupathi Municipal Corporation Letter Roc.No. 5082/JNNURM/E5/09 (3360 &4056 Project) dated April ,2016.
2. From the Managing Director, APUFIDC Letter No. 10979/APUFIDC/ITIR / IHSDP/14 dated May 2016.

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ORDER:-

Government have reviewed all the Housing Projects sanctioned under JNNURM Scheme during the years 2006-07 to 2015-2016 and observed that Projects sanctioned under BSUP., IHSDP and Vikrutamala components have been at various stages of construction and pending for years due to paucity of funds in the respective Corporations under the ULB contribution and Beneficiary contribution of the Scheme. Whereas, the JNNURM Scheme period had already been completed by March, 2015 and the Government of India have extended the scheme period for 2 more years i.e., up to March, 2017 as to complete the pending projects by December, 2016, and to close the accounts of the Projects by March, 2017. The Ministry of Urban Development have informed to the State Governments that unless all pending projects are completed by March, 2017, they would not consider releasing balance funds, if any, under any circumstances.

2. The Commissioners of the Tirupati Municipal Corporation, and the Vijayawada Municipal Corporation have also informed to the Government that for Vijayawada Municipal Corporation, the ULB share and the Beneficiary Contributions comes to Rs.100.08 Crore and for Tirupati Municipal Corporation , the ULB share and the Beneficiary Contribution comes to Rs.103.78 Crore. In total, the Commissioners of Tirupati Municipal Corporation and the Vijayawada Municipal Corporation have requested for sanction of Rs.100.08 Crore, Rs.111.48 Crore respectively total Rs.211.56 Crore to be sanctioned as soft loan as to complete the incomplete housing projects sanctioned under three components of the JNNURM Scheme.

3. Government after due consideration and with a view to complete the Housing Projects within the time frame given by the Government of India have decided to permit both the Corporations to borrow Rs.100.00 Crore each by the Tirupati Municipal Corporation, and Vijayawada Municipal Corporation from HUDCO as to meet the expenditure under ULB share and beneficiary contribution of the BSUP/IHSDP/Vikrutamala components of the JNNURM scheme and duly meeting the remaining balance amount of Rs.3.86 Crores (VMC: Rs.0.08 Crore and TMC3.78 Crore) from their own funds of the respective Corporations. State Government can extend guarantee without any financial commitment on the part of the Government due to sanction of HUDCO Loan.

4 Government, accordingly, hereby accord permission to the Commissioners of Tirupati Municipal Corporation and Vijayawada Municipal Corporation to borrow loan @ Rs.100.00 crore each from the HUDCO towards meeting Urban Local Body share and beneficiary contribution duly following the procedure for completion of the pending Housing Projects sanctioned under BSUP / IHSDP / Vikrutamala components of the JNNURM scheme. The remaining balance amount of Rs.3.86 crores i.e., Vijayawada

Municipal Corporation:Rs.0.08 crore and Tirupati Municipal Corporation: Rs.3.78 crore shall met from their own funds of the respective Corporations. There shal be no financial commitment on the part of the State Government in the HUDCO Loan other than the State Share already committed as per the scheme guidelines of the JNNURM. Howwver, Government extends Guarantee for the above HUDCO Loans. The Vijayawada and Tirupati Municipal Corporations shall make repayments to the HUDCO as per loan agreement executed between the HUDCO and respective Corporation. They shall submit draft loan agreement to Government for approval.

5. The Commissioners, Vijayawada and Tirupathi Municipal Corporations shall take immediate necessary action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R.KARIKAL VALAVEN
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Commissioner, Vijayawada Municipal Corporation, Vijayawada.
The Commissioner, Tirupathi Municipal Corporation, Tirupathi.
Copy to:
The Managing Director, APUFIDC, Hyderabad.
The Finance (EBS-VII) Department
The General Administration. (Cabinet) Department
The P.S. Principal Secretary to Chief Minister.
The P.S. to Hon'ble M(MA&UD)
The P.S. to Chief Secretary . to Government
The P.S. to Principal Secretary to Government, Finance Department
The P.S. to Principal Secretary to Government, MA&UD Department
Sf/sc

//FORWARDED BY ORDER//

ASSISTANT DIRECTOR